

HOUSE BILL 582

N2

9lr2578

By: **Delegates Carter, McComas, McConkey, and Vallario**

Introduced and read first time: February 6, 2009

Assigned to: Judiciary

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 17, 2009

CHAPTER _____

1 AN ACT concerning

2 **Estates and Trusts – Real and Leasehold Property – Valuation**

3 FOR the purpose of allowing real and leasehold property included in an estate to be
4 valued at the contract sales price for the property under certain circumstances;
5 making technical changes; and generally relating to valuation of real and
6 leasehold property included in an estate.

7 BY repealing and reenacting, without amendments,
8 Article – Estates and Trusts
9 Section 7–202(a) and (b)
10 Annotated Code of Maryland
11 (2001 Replacement Volume and 2008 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Estates and Trusts
14 Section 7–202(c)
15 Annotated Code of Maryland
16 (2001 Replacement Volume and 2008 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article – Estates and Trusts**

20 7–202.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) (1) Subject to the provisions of this section, the value of each item
2 listed in the inventory shall be fairly appraised as of the date of death and stated in
3 the inventory.

4 (2) The personal representative may appraise the corporate stocks
5 listed on a national or regional exchange or over the counter securities and items in §
6 7-201(4) and (5) of this subtitle.

7 (3) The personal representative shall secure an independent appraisal
8 of the items in all of the other categories.

9 (4) The personal representative may select one of the methods
10 specified in this section.

11 (b) The personal representative may apply for appraisal by appraisers
12 designated by the register under § 2-301(a) or § 2-302 of this article.

13 ~~(c) (1) INSTEAD OF AN APPRAISAL OF THE FAIR MARKET VALUE,~~
14 ~~REAL AND LEASEHOLD PROPERTY MAY BE VALUED AT THE CONTRACT SALES~~
15 ~~PRICE FOR THE PROPERTY IF:~~

16 ~~(I) THE CONTRACT SALES PRICE IS SET FORTH ON A~~
17 ~~SETTLEMENT STATEMENT FOR AN ARM'S LENGTH CONTRACT OF SALE OF THE~~
18 ~~PROPERTY; AND~~

19 ~~(II) THE SETTLEMENT ON THE CONTRACT OCCURS WITHIN 9~~
20 ~~MONTHS AFTER THE DECEDENT'S DEATH.~~

21 ~~[(1)] (2) (I) Except as provided in [paragraph (2)]~~
22 ~~SUBPARAGRAPH (II) of this [subsection] PARAGRAPH, instead of an appraisal of the~~
23 ~~fair market value, real and leasehold property may be valued at the full cash value for~~
24 ~~property tax assessment purposes as of the most recent date of finality.~~

25 ~~[(2)] (II) [Paragraph (1)] SUBPARAGRAPH (I) of this [subsection]~~
26 ~~PARAGRAPH does not apply to property assessed for property tax purposes on the~~
27 ~~basis of its use value.~~

28 (c) (1) Except as provided in paragraph (2) of this subsection, instead of
29 an appraisal of the fair market value, real and leasehold property may be valued at:

30 (I) [the] THE full cash value for property tax assessment
31 purposes as of the most recent date of finality; OR

32 (II) THE CONTRACT SALES PRICE FOR THE PROPERTY IF:

1 **1. THE CONTRACT SALES PRICE IS SET FORTH ON A**
2 **SETTLEMENT STATEMENT FOR AN ARM’S LENGTH CONTRACT OF SALE OF THE**
3 **PROPERTY; AND**

4 **2. THE SETTLEMENT ON THE CONTRACT OCCURS**
5 **WITHIN 1 YEAR AFTER THE DECEDENT’S DEATH.**

6 (2) Paragraph (1) of this subsection does not apply to property
7 assessed for property tax purposes on the basis of its use value.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2009.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.